

**AGREEMENT**

This Agreement effective the 30th day of January, 2008, by and between the Sheryl Smul Grantor Annuity Trust (hereinafter referred to as the "Smul Trust"), a Florida trust, whose address is 12351 NW 2<sup>nd</sup> Street, Plantation, Florida 33325, CS-Graces, LLC (hereinafter referred to as "CS-Graces"), a New York Limited Liability Company, whose address is P. O. Box 495, Ellenvilla, New York 12428, and RH Lodging Services, LLC, (hereinafter referred to as "RH Lodging" or "Company"), a New York Limited Liability Company, whose address is 283 Rock Hill Drive, Rock Hill, New York 12775.

**WITNESSETH:**

**WHEREAS**, RH Lodging is a Limited Liability Company duly organized and existing under and by virtue of the laws of the State of New York, as a result of the filing of Articles of Organization with the Secretary of State on May 4, 2000, and

**WHEREAS**, the sole Members of the Company are the Smul Trust and CS-Graces, each owning a 50% Membership Interest in and to the Company, and

**WHEREAS**, the rights and obligations of the Smul Trust, CS-Graces and the Company are bound and prescribed by an Amended and Restated Operating Agreement of RH Lodging Services, LLC, a New York Limited Liability Company, dated September 4, 2003, and

**WHEREAS**, the Members of CS-Graces are Joseph Tso, owning a 49% Membership Interest therein, Lane Tso, owning a 49% Membership Interest therein, Caelia Tso, owning a 1% Membership Interest therein, and Stanley Tso, owning a 1% Membership Interest therein, and

**PLAINTIFF'S  
EXHIBIT**

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WHEREAS, Alan G. Friedberg is the Guarantor of a loan by The First National Bank of Jeffersonville to D & N Management Corp. in the original principal amount of \$1,300,000.00, the proceeds of which loan were used for and on behalf of the Smul Trust, and

WHEREAS, Joseph Tso is the President of D & N Management Corp., and

WHEREAS, the Smul Trust is desirous of selling and assigning all of its Membership Interest in and to the Company to CS-Graces, for the consideration and upon the terms and provisions as hereinafter provided, and

WHEREAS, CS-Graces is desirous of purchasing and having assigned to it all of the Membership Interest of the Smul Trust in and to the Company, for the consideration and upon the terms and conditions hereinafter provided.

NOW, THEREFORE, in consideration of the premises and the sum of Ten and 00/100 (\$10.00) Dollars and other good and valuable consideration, the receipt of which is hereby acknowledged by the parties, and upon the terms and provisions hereinafter provided, the parties hereto hereby agree as follows:

1. All of the aforementioned "WHEREAS" clauses are incorporated into and made a part of this Agreement, and each of the recitals and agreements therein set forth are agreed to by the parties.

2. As partial consideration for the transfer of its 50% Membership Interest in and to the Company to CS-Graces, CS-Graces, Joseph Tso, Lana Tso and the Company hereby cancel all debts, liabilities and obligations of the Smul Trust and/or Alan G.